



A-570-894  
Sunset Review  
**Public Document**  
E&C/OVIII: MG/BCS

September 10, 2021

**MEMORANDUM TO:** Christian Marsh  
Acting Assistant Secretary  
for Enforcement and Compliance

**FROM:** James Maeder  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

**SUBJECT:** Issues and Decision Memorandum for the Final Results of the Expedited Sunset Review of the Antidumping Duty Order on Certain Tissue Paper Products from the People's Republic of China

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## I. SUMMARY

We analyzed the substantive response of the domestic interested party<sup>1</sup> in this sunset review of the antidumping duty (AD) order<sup>2</sup> covering certain tissue paper products (tissue paper) from the People's Republic of China (China), and recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. No respondent interested party submitted a substantive response. Accordingly, we conducted an expedited (120-day) sunset review of the *Order*.<sup>3</sup> The following is a complete list of the issues that we address in this expedited sunset review:

1. Likelihood of Continuation or Recurrence of Dumping
2. Magnitude of the Dumping Margin Likely to Prevail

## II. BACKGROUND

On June 1, 2021, the Department of Commerce (Commerce) published the notice of initiation of the third sunset review of the *Order*, pursuant to section 751(c) of the Tariff Act of 1930, as

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<sup>1</sup> The domestic interested party is Seaman Paper Company of Massachusetts, Inc.

<sup>2</sup> This is the third sunset review of this order. *See Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Certain Tissue Paper Products from the People's Republic of China*, 70 FR 16223 (March 30, 2005) (*Order*).

<sup>3</sup> *See Procedures for Conducting Five-year (Sunset) Reviews of Antidumping and Countervailing Duty Orders*, 70 FR 62061 (October 28, 2005) (Commerce normally will conduct an expedited sunset review where respondent interested parties provide an inadequate response.).



amended (the Act).<sup>4</sup> On June 11, 2021, Commerce received a timely and complete notice of intent to participate in this sunset review from the domestic interested party, within the deadline specified in 19 CFR 351.218(d)(1)(i).<sup>5</sup> The domestic interested party claimed interested party status under section 771(9)(C) of the Act as a manufacturer in the United States of the domestic like product.<sup>6</sup>

On July 1, 2021, the domestic interested party filed a timely and adequate substantive response, within the deadline specified in 19 CFR 351.218(d)(3)(i).<sup>7</sup> Commerce did not receive substantive responses from any respondent interested party. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), we determined that no respondent interested party provided an adequate response to the notice of initiation and, therefore, conducted an expedited (120-day) sunset review of the *Order*.

### **III. SCOPE OF THE ORDER**

The products covered by the *Order* are cut-to-length sheets of tissue paper having a basis weight not exceeding 29 grams per square meter. Tissue paper products subject to this order may or may not be bleached, dye-colored, surface-colored, glazed, surface decorated or printed, sequined, crinkled, embossed, and/or die cut. The tissue paper subject to this order is in the form of cut-to-length sheets of tissue paper with a width equal to or greater than one-half (0.5) inch. Subject tissue paper may be flat or folded, and may be packaged by banding or wrapping with paper or film, by placing in plastic or film bags, and/or by placing in boxes for distribution and use by the ultimate consumer. Packages of tissue paper subject to this order may consist solely of tissue paper of one color and/or style, or may contain multiple colors and/or styles.

The merchandise subject to this order does not have specific classification numbers assigned to them under the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may be under one or more of several different subheadings, including: 4802.30, 4802.54, 4802.61, 4802.62, 4802.69, 4804.31.1000, 4804.31.2000, 4804.31.4020, 4804.31.4040, 4804.31.6000, 4804.39, 4805.91.1090, 4805.91.5000, 4805.91.7000, 4806.40, 4808.30, 4808.90, 4811.90, 4823.90, 4802.50.00, 4802.90.00, 4805.91.90, 9505.90.40. Although the HTSUS tariff classifications are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.<sup>8</sup>

Excluded from the scope of this order are the following tissue paper products: (1) tissue paper products that are coated in wax, paraffin, or polymers, of a kind used in floral and food service applications; (2) tissue paper products that have been perforated, embossed, or die-cut to the shape of a toilet seat, *i.e.*, disposable sanitary covers for toilet seats; and (3) toilet or facial tissue

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<sup>4</sup> See *Initiation of Five-Year ("Sunset") Reviews*, 86 FR 29239 (June 1, 2021).

<sup>5</sup> See Domestic Interested Party's Letter, "Certain Tissue Paper Products from the People's Republic of China: Notice of Intent to Participate," dated June 11, 2021 (Notice of Intent to Participate Letter).

<sup>6</sup> See Notice of Intent to Participate Letter.

<sup>7</sup> See Domestic Interested Party's Letter, "Certain Tissue Paper Products from the People's Republic of China: Substantive Response to Notice of Initiation" dated July 1, 2021 (Domestic Interested Party's Substantive Response).

<sup>8</sup> On January 30, 2007, at the direction of CBP, the Department added the following HTSUS classifications to the AD/CVD module for tissue paper: 4802.54.3100, 4802.54.6100, and 4823.90.6700. However, we note that the six digit classifications for these numbers were already listed in the scope.

stock towel or napkin stock, paper of a kind used for household or sanitary purposes, cellulose wadding, and webs of cellulose fibers (HTSUS 4803.00.20.00 and 4803.00.40.00).

#### IV. HISTORY OF THE ORDER

On February 14, 2005, Commerce published its final determination in the less-than-fair value (LTFV) investigation of tissue paper from China.<sup>9</sup> On March 30, 2005, Commerce published an amended final determination and antidumping duty order on tissue paper from China.<sup>10</sup> Commerce assigned the following dumping margins:

BA Marketing & Industrial Co., Ltd.	112.64
Everlasting Business & Industry Corporation, Ltd	112.64
Fujian Nanping Investment & Enterprise Co.	112.64
Fuzhou Light Industry Import & Export Co., Ltd.	112.64
Guilin Qifeng Paper Co. Ltd	112.64
Max Fortune Industrial Limited	112.64
Ningbo Spring Stationary Limited Company	112.64
Qingdao Wenlong Co., Ltd.	112.64
Samsam Production Limited & Guangzhou Baxi Printing Products Limited	112.64
China-Wide Rate	112.64

Since the issuance of the *Order*, Commerce has completed five administrative reviews,<sup>11</sup> four anti-circumvention inquiries,<sup>12</sup> two scope inquiries,<sup>13</sup> and two sunset reviews.<sup>14</sup>

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<sup>9</sup> See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Tissue Paper Products from the People's Republic of China*, 70 FR 7475 (February 14, 2005) (*Final Determination*).

<sup>10</sup> See *Order*.

<sup>11</sup> See *Certain Tissue Paper Products from the People's Republic of China: Final Results and Final Rescission, In Part, of Antidumping Duty Administrative Review*, 72 FR 58642 (October 16, 2007); see also *Certain Tissue Paper Products from the People's Republic of China: Final Results and Final Rescission, in Part, of Antidumping Duty Administrative Review*, 73 FR 58113 (October 06, 2008); *Certain Tissue Paper Products from the People's Republic of China: Final Results and Partial Rescission of the 2007-2008 Antidumping Duty Administrative Review and Determination Not To Revoke in Part*, 74 FR 52176 (October 09, 2009); *Certain Tissue Paper Products from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2008–2009*, 75 FR 63806 (October 18, 2010); and *Certain Tissue Paper Products from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2016–2017*, 83 FR 11966 (March 19, 2018) (2016-2017 Administrative Review).

<sup>12</sup> See *Certain Tissue Paper Products from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 73 FR 57591 (October 3, 2006); see also *Certain Tissue Paper Products from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 74 FR 29172 (June 19, 2009); *Certain Tissue Paper Products from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 76 FR 47551 (August 5, 2011); and *Certain Tissue Paper Products from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 78 FR 40101 (July 3, 2013).

<sup>13</sup> See *Notice of Scope Rulings*, 73 FR 72771 (December 1, 2008); see also *Notice of Scope Rulings*, 80 FR 22969 (April 24, 2015).

<sup>14</sup> See *Certain Tissue Paper Products from the People's Republic of China: Final Results of Expedited Sunset Review*, 75 FR 32910 (June 10, 2010) (2010 Sunset Review); see also *Certain Tissue Paper Products from the People's Republic of China: Final Results of Expedited Sunset Review of the Antidumping Duty Order*, 80 FR 59734 (October 2, 2015) (2015 Sunset Review).

Since the issuance of the most recent continuation of the *AD Order* in 2015,<sup>15</sup> Commerce has completed one administrative review.<sup>16</sup>

## Sunset Reviews

### *2010 Sunset Review*

On June 10, 2010, Commerce published the notice of the final results of the first sunset review of the *Order* in which it determined that the revocation of the order on tissue paper from China would be likely to lead to the continuation or recurrence of dumping.<sup>17</sup> On July 8, 2010, the International Trade Commission (ITC) published its determination that the revocation of the *Order* would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>18</sup> Based on these results, Commerce published a notice of continuation of the *Order* on July 20, 2010.<sup>19</sup>

### *2015 Sunset Review*

On October 2, 2015, Commerce published the notice of the final results of the second sunset review of the *Order* in which it determined that the revocation of the order on tissue paper from China would be likely to lead to the continuation or recurrence of dumping.<sup>20</sup> On July 5, 2016, the ITC published its determination that the revocation of the *Order* would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>21</sup> Based on these results, Commerce published a notice of continuation of the *Order* on July 12, 2016.<sup>22</sup>

## V. LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, Commerce is conducting this sunset review to determine whether revocation of the *Order* would be likely to lead to a continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making this determination, Commerce shall consider the weighted-average dumping margins determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the periods before and after the issuance of the *Order*.

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<sup>15</sup> See *2015 Sunset Review*.

<sup>16</sup> See *2016-2017 Administrative Review*.

<sup>17</sup> See *2010 Sunset Review*.

<sup>18</sup> See *Certain Tissue Paper Products from China*, 75 FR 39277 (July 8, 2010), and accompanying USITC Publication 4165 (July 2010), entitled *Certain Tissue Paper Products from China: Investigation No. 731-TA-1070B (Review) (First ITC Sunset Determination)*.

<sup>19</sup> See *Certain Tissue Paper Products from the People's Republic of China: Notice of Continuation of Antidumping Duty Order*, 75 FR 42067 (July 20, 2010).

<sup>20</sup> See *2015 Sunset Review*.

<sup>21</sup> See *Certain Tissue Paper Products from China; Determination*, 81 FR 43642 (July 5, 2016).

<sup>22</sup> See *Certain Tissue Paper Products from the People's Republic of China: Continuation of the Antidumping Duty Order*, 81 FR 45128 (July 12, 2016) (*2015 Continuation Notice*).

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act (URAA) (specifically the SAA),<sup>23</sup> the House Report,<sup>24</sup> and the Senate Report,<sup>25</sup> Commerce's determinations of likelihood will be made on an order-wide, rather than a company-specific, basis.<sup>26</sup> In addition, Commerce normally determines that revocation of an order is likely to lead to continuation or recurrence of dumping when: (a) dumping continued at any level above *de minimis* after issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly; or (d) there are declining import volumes accompanied by the continued existence of dumping margins after the issuance of the order.<sup>27</sup> Alternatively, Commerce normally will determine that revocation of an order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of the order and import volumes remained steady or increased.<sup>28</sup>

In addition, as a base period of import volume comparison, it is Commerce's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew the comparison.<sup>29</sup> Also, when analyzing import volumes for second and subsequent sunset reviews, Commerce's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.<sup>30</sup>

Further, section 752(c)(3) of the Act states that Commerce shall provide to the ITC the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, Commerce selects the dumping margin from the final determination in the investigation, as this is the only calculated rate that reflects the behavior of exporters without the discipline of an order in place.<sup>31</sup> However, in certain circumstances, a more recently calculated rate may be more appropriate (*e.g.*, "if dumping margins have declined over the life of an order and imports have remained steady or increased, Commerce may conclude that exporters are likely to continue dumping at the lower rates found in a more recent review").<sup>32</sup>

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<sup>23</sup> See Statement of Administrative Action accompanying the URAA, H.R. Doc. 103-316, vol 1 (1994) (SAA).

<sup>24</sup> See H. Rep. No. 103-826, pt. 1 (1994) (House Report).

<sup>25</sup> See S. Rep. No. 103-412 (1994) (Senate Report).

<sup>26</sup> See SAA at 879; *see also* House Report at 56.

<sup>27</sup> See SAA at 889-90; *see also* House Report at 63-64; Senate Report at 52; and *Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*; *Policy Bulletin*, 63 FR 18871, 18872 (April 16, 1998) (*Sunset Policy Bulletin*).

<sup>28</sup> See SAA at 889-90; *see also* *Sunset Policy Bulletin*.

<sup>29</sup> See, *e.g.*, *Stainless Steel Bar from Germany*; *Final Results of the Sunset Review of the Antidumping Duty Order*, 72 FR 56985 (October 5, 2007) (*Stainless Steel Bar*), and accompanying Issues and Decision Memorandum (IDM) at Comment 1.

<sup>30</sup> See *Ferrovanadium from the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders*, 79 FR 14216 (March 13, 2014), and accompanying IDM.

<sup>31</sup> See SAA at 890; *see also* *Sunset Policy Bulletin* at section II.B.1; and *Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order*, 73 FR 11868 (March 5, 2008), and accompanying IDM at Comment 2.

<sup>32</sup> See SAA at 890-91; *see also* *Sunset Policy Bulletin* at section II.B.2.

Finally, pursuant to section 752(c)(4)(A) of the Act, a dumping margin of zero or *de minimis* shall not by itself require Commerce to determine that revocation of an order would not be likely to lead to a continuation or recurrence of sales at LTFV.<sup>33</sup>

Regarding the margin of dumping likely to prevail, in the *Final Modification for Reviews*, Commerce announced that in five-year (*i.e.*, sunset) reviews, it will not rely on weighted-average dumping margins that were calculated using the zeroing methodology that was the subject of the *Final Modification for Reviews*.<sup>34</sup> However, Commerce explained in the *Final Modification for Reviews* that it “retain{s} the discretion, on a case-by-case basis, to apply an alternative methodology, when appropriate” in both investigations and administrative reviews pursuant to section 777A(d)(1)(B) of the Act.<sup>35</sup> In the *Final Modification for Reviews*, Commerce stated that “only in the most extraordinary circumstances” would it rely on margins other than those calculated and published in prior determinations.<sup>36</sup> Commerce further stated that, apart from the “most extraordinary circumstances,” it would “limit its reliance to margins determined or applied during the five-year sunset period that were not determined in a manner found to be WTO-inconsistent” and that it “may also rely on past dumping margins recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total AFA, and dumping margins where no offsets were denied because all comparison results were positive.”<sup>37</sup>

Below we address the comments submitted by the domestic interested party.

## **VI. DISCUSSION OF THE ISSUES**

### **1. Likelihood of Continuation or Recurrence of Dumping**

#### **Domestic Interested Party’s Comments:**

- Revocation of the *Order* would likely lead to continued dumping by the subject producers/exporters of tissue paper.<sup>38</sup>
- In determining whether revocation of an order would be likely to lead to continuation or recurrence of dumping, Commerce considers whether: (1) dumping continued at any level above *de minimis* after the issuance of the order; (2) imports of the subject merchandise ceased after issuance of the order; or (3) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.<sup>39</sup>
- In the *Final Modification for Reviews*, Commerce reiterated that if dumping margins declined over the five-year period, or if there were no dumping margins calculated by

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<sup>33</sup> See *Folding Gift Boxes from the People’s Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 16765 (April 5, 2007) (*Folding Gift Boxes from China*), and accompanying IDM at Comment 1.

<sup>34</sup> See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification for Reviews*).

<sup>35</sup> *Id.*, 77 FR at 8105-6.

<sup>36</sup> *Id.*, 77 FR at 8103.

<sup>37</sup> *Id.*, 77 FR at 8109.

<sup>38</sup> See Domestic Interested Party’s Substantive Response at 4.

<sup>39</sup> *Id.* at 6.

Commerce during the five-year sunset period, decreased import volumes may provide another basis to determine that dumping is likely to continue or recur if the pricing discipline of the *Order* is removed.<sup>40</sup>

- The record indicates that the *Order* has been effective in limiting dumping as reflected by decreasing U.S. imports of subject merchandise since its imposition, a 112.64 percent margin applied to almost all of those imports, and four affirmative circumvention findings involving Chinese-origin tissue paper exported from countries not covered by the *Order*.<sup>41</sup>
- The U.S. import volume data show that subject imports from China would likely again increase to the pre-order level if the *Order* is revoked.<sup>42</sup>

### Commerce's Position:

As discussed above, drawing on the guidance provided in the legislative history accompanying the URAA,<sup>43</sup> Commerce normally determines that revocation of an order is likely to lead to continuation or recurrence of dumping where: (a) dumping continued at any level above *de minimis* after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.<sup>44</sup>

Consistent with the legal framework laid out above and in section 752(c)(1)(A) of the Act, we first considered the weighted-average dumping margins determined in the investigation in this proceeding. As stated above, in the investigation, Commerce found a dumping margin of 112.64 percent.<sup>45</sup>

As noted above, there has been one administrative review conducted in this proceeding since the issuance of the *2015 Continuation Notice*, and entries of subject merchandise after the issuance of the *2015 Continuation Notice* have also been assessed at above *de minimis* rates.

The *Final Modification for Reviews* provides that, “{i}f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked.”<sup>46</sup> In the LTFV investigation, the calculation of the China-wide rate was based on the highest margin alleged in the petition and thus did not involve the denial of offsets. We also note that, in the most recently completed review which was conducted after the *Final Modification for Reviews* became effective, Commerce continued to assess above *de minimis* margins. Therefore, given that dumping margins continued to exist at levels above *de minimis* since the last sunset review

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<sup>40</sup> *Id.*; see also *Final Modification for Reviews*, 77 FR at 8103.

<sup>41</sup> See Domestic Interested Party's Substantive Response at 18-20.

<sup>42</sup> *Id.* at 19-20 and Exhibit 1.

<sup>43</sup> See, e.g., SAA at 889.

<sup>44</sup> *Id.* at 889-890; see also *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 74 FR 5819 (February 2, 2009), and accompanying IDM at 3; and *Folding Gift Boxes from China* IDM at 5.

<sup>45</sup> See *Order*.

<sup>46</sup> See *Final Modification for Reviews*, 77 FR at 8103.

period, Commerce finds that dumping would likely continue or recur if the order were revoked, pursuant to section 752(c)(1) of the Act.

In addition, pursuant to section 752(c)(1)(B) of the Act and in accordance with Commerce's practice, in order to determine whether revocation of an order would be likely to lead to continuation of dumping, Commerce considers the volume of imports of the subject merchandise for the one-year period immediately preceding the initiation of the investigation as a base period for comparison to the sunset review period.<sup>47</sup> In this sunset review, we examined import volumes from 2003 (the year prior to the LTFV investigation) as compared to import volumes during this sunset review period (*i.e.*, 2016-2020). As discussed below, Commerce examined import volume data submitted by the domestic interested party.<sup>48</sup>

Furthermore, in the *Final Modification for Reviews*, Commerce noted that decreased import volumes may also provide a basis to determine whether dumping is likely to recur or continue if the order is revoked.<sup>49</sup> Our review of the available data provided by the domestic interested party<sup>50</sup> indicates that U.S. imports of subject merchandise from China during the sunset review period entered under the four more specific and applicable HTS subheading numbers referenced in the scope. In comparing import volumes in 2003<sup>51</sup> to import volumes during the sunset review period (*i.e.*, 2016-2020), the ITC Data Web statistics show that the annual import volumes of tissue paper from China from 2016 through 2018 averaged 27.28 percent of the import volume in 2003, but then decreased to 14.46 percent and 10.41 percent of the 2003 import volume in 2019 and 2020, respectively. The fact that imports from China have significantly declined compared to the volume of pre-*Order* imports supports a conclusion that exporters and importers of subject merchandise are declining to enter into transactions at dumped prices that would have been made prior to the application of antidumping duties, and likely would be made again if the antidumping duties were removed.

As explained earlier, Commerce normally will determine that revocation of an order is likely to lead to continuation or recurrence of dumping where dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.<sup>52</sup> Here, the substantial decline of imports since the imposition of the *Order* demonstrates that Chinese respondents have not been able to sell at pre-*Order* volumes without dumping. Accordingly,

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<sup>47</sup> See *Stainless Steel Bar* IDM at Comment 1.

<sup>48</sup> See Attachment to this memorandum (for import data in kilograms and calculated rates of change comparing the pre-order and sunset period volumes). Source: ITC Data Web. Although the domestic interested party provided import data for a six-year period (2015 through 2020), we based our analysis on the data corresponding to the five-year sunset period of 2016 – 2020.

<sup>49</sup> See *Final Modification for Reviews*, 77 FR at 8109.

<sup>50</sup> Because many of the HTS subheading numbers listed in the scope of the *Order* are basket categories including subject tissue paper as well as any number of non-subject articles, the domestic interested party relied on four 10-digit HTS subheading numbers (*i.e.*, 4804.39.40.41, 4811.90.40.10, 4811.90.60.10 and 4811.90.90.10) because these four subheading numbers specifically capture the subject merchandise and should be used by importers to the exclusion of other HTS subheading numbers listed in the scope of the *Order*.

<sup>51</sup> The domestic interested party provided an import volume analysis both on a square meter and kilogram basis. Because the 2003 import volume amount is not available from ITC Data Web, the interested party relied on the 2003 import volume amount (in square meters) and a gram per square meter conversion ratio from the *First ITC Sunset Determination* (*i.e.*, USITC Pub. 4165, at I-23) to convert the 2003 square meter import quantity figure to kilograms for its kilogram-based import quantity analysis. See Domestic Interested Party's Substantive Response at Exhibit 1.

<sup>52</sup> See SAA at 889-90, House Report at 63-64, and Senate Report at 52; see also *Sunset Policy*, 63 FR at 18872.



pursuant to section 752(c)(1) of the Act, Commerce determines that dumping is likely to continue or recur if the *Order* were revoked.

## 2. Magnitude of the Dumping Margin Likely to Prevail

### Domestic Interested Party's Comments:

Citing the *Sunset Policy Bulletin*, and the SAA, the domestic interested party requests that Commerce report to the ITC the AD margin that was determined in the original investigation.<sup>53</sup>

- In determining the magnitude of the dumping margins likely to prevail in the event of revocation, the SAA and Commerce's *Sunset Policy Bulletin* state that the agency will normally select the dumping margins established in the investigation.<sup>54</sup>
- Applying the principles set forth in the SAA and *Sunset Policy Bulletin*, Commerce, should rely on company-specific, final margins from the agency's original LTFV investigation, as those margins best reflect the behavior of the respondents in the absence of an order.<sup>55</sup>
- The dumping margin that should be reported to the ITC is 112.64 percent, which is the margin determined in the original investigation for all individually identified Chinese exporters, separate rate companies, and the China-wide entity.<sup>56</sup>

### Commerce's Position:

Section 752(c)(3) of the Act provides that the administering authority shall provide to the ITC the magnitude of the margin of dumping that is likely to prevail if an order were revoked.<sup>57</sup> Commerce prefers selecting margins from the investigation because such rates are the only calculated rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of an order or suspension agreement in place.<sup>58</sup> Under certain circumstances, however, Commerce may select a more recently calculated margin to report to the ITC.<sup>59</sup> As explained above, in accordance with the *Final Modification for Reviews*, Commerce will not rely on weighted-average dumping margins that were calculated using the zeroing methodology.<sup>60</sup>

As discussed above, since the publication of the *2015 Sunset Review*, Commerce has conducted one administrative review of this order. Consistent with the final results of the *2015 Sunset Review*, we find that the 112.64 percent AD margin in the LTFV investigation is probative of the

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<sup>53</sup> See Domestic Interested Party's Substantive Response at 29.

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> See, e.g., *Certain Hot-Rolled Carbon Steel Flat Products from Argentina, the People's Republic of China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine; Final Results of Expedited Sunset Reviews of the Antidumping Duty Orders*, 71 FR 70506 (December 5, 2006), and accompanying IDM at Comment 2.

<sup>58</sup> See *Eveready Battery Co. v. United States*, 77 F. Supp. 2d 1327, 1333 n.9 (CIT 1999); see also SAA at 890.

<sup>59</sup> See section 752(c)(3) of the Act; see also *Final Results of Full Sunset Review: Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide from the Netherlands*, 65 FR 65294 (November 1, 2000), and accompanying IDM at Comment 3, "Magnitude of the Margin Likely to Prevail."

<sup>60</sup> See *Final Modification for Reviews*, 77 FR at 8103.

behavior of manufacturers/exporters from China if the *Order* was revoked because this margin is the only margin which reflects the behavior of these manufacturers/exporters absent the discipline of the *Order*. Furthermore, in accordance with the *Final Modification for Reviews*,<sup>61</sup> the 112.64 percent margin is not affected by the zeroing methodology, because it is an AFA rate based on the highest margin alleged in the petition.<sup>62</sup> Thus, Commerce determines that the magnitude of the margin of dumping likely to prevail in the event of revocation of this order would be a weighted-average margin of 112.64 percent.

## VII. FINAL RESULTS OF SUNSET REVIEW

For the reasons stated above, we determine that revocation of the *Order* on tissue paper from China would likely lead to continuation or recurrence of dumping and that the magnitude of the margin of dumping likely to prevail would be a weighted-average margin of 112.64 percent.

## VIII. RECOMMENDATION

Based on our analysis of the substantive response received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of this sunset review in the *Federal Register* and notify the ITC of our determination.

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\_\_\_\_\_  
Agree

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\_\_\_\_\_  
Disagree

9/10/2021

X



Signed by: CHRISTIAN MARSH

Christian Marsh  
Acting Assistant Secretary  
for Enforcement and Compliance

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<sup>61</sup> *Id.*

<sup>62</sup> *See Order*, 70 FR at 16224.

## Attachment

Country	Unit	2003	2016	2017	2018	2019	2020
China	KGS	12,021,632	2,933,192	3,491,611	3,413,022	1,738,394	1,251,839
	% of 2003 Vol.		24.40%	29.04%	28.39%	14.46%	10.41%
	2016-2018 Average	27.28%					
<b>Source: U.S. International Trade Commission import data for HTSUS subheadings</b>							
<b>4804.39.4041, 4811.90.4010, 4811.90.6010 and 4811.90.9010</b>							